

SUGARHOUSE HSP GAMING, L.P.	:	COMMONWEALTH OF
d/b/a SUGARHOUSE CASINO	:	PENNSYLVANIA
GAMING IDENTIFICATION	:	
NO. 1356	:	
	:	GAMING CONTROL BOARD
IN RE: INTOXICATED PATRON	:	REFERRAL #SH-E-0586653-18
INCIDENT	:	

CONSENT AGREEMENT AND STIPULATION OF SETTLEMENT

THIS CONSENT AGREEMENT AND STIPULATION OF SETTLEMENT

is made and entered into by and between the Office of Enforcement Counsel (“OEC”), and SugarHouse HSP Gaming, L.P. d/b/a SugarHouse Casino (“SugarHouse”). SugarHouse and OEC collectively are referred to as the “Parties”; and

WHEREAS, SugarHouse is a limited partnership organized and existing under the laws of Delaware and at all times referenced herein, has its business office located at 1080 North Delaware Avenue, Philadelphia, PA, 19125. SugarHouse is a Category 2 slot machine licensee; and

WHEREAS, OEC is the prosecutorial body established by 4 Pa.C.S. §1517(a.2) and has the power and duty to initiate proceedings for administrative violations of the Pennsylvania Race Horse Development and Gaming Act (Gaming Act) pursuant to §1517(a.2) (1) (iii) of the Act; and

WHEREAS, SugarHouse and OEC, through their authorized representatives, have investigated the events that are the subject of this Consent Agreement (“Events”), have conferred extensively on the Events, and now desire to conclusively and amicably resolve all matters arising out of the Events, and enter into a Consent Agreement before the filing

of a Complaint, pursuant to 58 Pa. Code §493a.13(a), which provides that “[p]arties may propose consent agreements at any time prior to the entry of a final order”; and

WHEREAS, pursuant to Condition 1 of the Statement of Conditions to its Category 2 License, signed on September 22, 2009, SugarHouse agreed “To at all times comply with any and all provisions of the Pennsylvania Race Horse Development and Gaming Act (“Act”) and any rules, regulations, technical standards or orders in effect as of this date or later amended or promulgated by the Board”; and

WHEREAS, pursuant to 4 Pa.C.S. § 1102(1), the primary objective of the Act to which all other objectives and purposes are secondary is to protect the public through the regulation and policing of all activities involving gaming and practices that continue to be unlawful; and

WHEREAS, pursuant to 4 Pa.C.S. § 1202(a)(1), of the Act, the Pennsylvania Gaming Control Board (“Board”) is responsible for ensuring the integrity of slot machines and table games and has sole regulatory authority over every aspect of the authorization, operation and play of slot machines and table games; and

WHEREAS, pursuant to section 423a.6. (b)(4) of the Board’s Regulations (58 Pa. Code § 423a.6. (b)(4)), an individual who has applied for the issuance or renewal of a license, permit, certification, registration or authorization shall execute a statement of conditions in the manner and form required by the Board. The execution of the Statement of Conditions constitutes the acceptance of each provision contained in the Statement of Conditions; and

WHEREAS, pursuant to section 423a.6. (b)(5) of the Board’s Regulation (58 Pa. Code §423a.6. (b)(5)), failure to fully comply with any provision contained in an executed

Statement of Conditions constitutes a violation and may result in Board-imposed administrative sanctions, up to and including revocation, against the individual or entity to whom the license, permit, certification, registration or authorization was issued.

WHEREAS, pursuant to Condition 32 of SugarHouse's executed Statement of Conditions, SugarHouse agreed to at all times comply with the compulsive and problem gambling plan submitted to and approved by the Board pursuant to 58 Pa. Code Chapters 501, 503, 511, and 513; and

WHEREAS, Section XVIII of SugarHouse's approved Compulsive and Problem Gambling Plan dated February 13, 2017, outlines procedures to prevent an intoxicated patron from gambling at SugarHouse Casino, including training for SugarHouse personnel (Food and Beverage Team Members) pursuant to the R.A.M.P. (Responsible Alcohol Management Program) training program; and

WHEREAS, in SugarHouse Casino's Compulsive and Problem Gambling Plan, Exhibit D (the R.A.M.P. training program) there are a number of specific policies and procedures listed to help prevent a patron from becoming intoxicated including: counting the number of drinks served; not pushing drinks; serving one drink at a time; checking with co-workers before serving a patron drinks; watching patrons who order doubles; and slowing down service; and

WHEREAS, the Parties do not dispute the jurisdiction of the Board; and

WHEREAS, the Parties now seek to enter into this Consent Agreement as an accord, satisfaction and compromise of any disputed claims and in consideration of the Parties waiving, releasing, and forbearing any regulatory dispute; and

WHEREAS, the OEC has not previously entered into a Consent Agreement with SugarHouse regarding an intoxicated patron being allowed to gamble which impacted the integrity of gaming therein.

NOW, THEREFORE, the Parties stipulate and agree, and present to the Board for its consideration, the following:

STIPULATED FACTS

On October 31, 2018, the Bureau of Casino Compliance (“BCC”) referred a violation of the Board’s regulations and SugarHouse’s Internal Controls, Statement of Conditions, and Compulsive and Problem Gambling Plan. A casino compliance representative assigned to SugarHouse reported to the OEC that on September 3, 2018, a patron was arrested at SugarHouse by the Pennsylvania State Police and charged with Public Drunkenness, 18 Pa.C.S. § 5505 and Disorderly Conduct, 18 Pa.C.S. § 5503(a)(1). It was alleged in the investigation reports that after spending more than eight hours at SugarHouse Casino gambling and consuming 17 alcoholic drinks the patron caused a disturbance at the Pai Gow Tiles game in Pit 2, table TL-205. This conduct was confirmed by a surveillance review. The patron was asked to leave the property and, after his initial refusal, complied and was assisted by a security officer toward the main cage to cash out. The patron and security officer were stopped before they arrived at the main cage by a security supervisor who directed them to go to the security office so that the patron could be issued a formal eviction prior to cashing out and leaving the casino. When the patron refused, an altercation occurred and the patron was subdued and handcuffed by the security supervisor. The patron was reportedly injured during the incident with abrasions to his face and knee. Security officers escorted the patron to the security office where they were

met by Pennsylvania State Police, who took custody of the patron. The patron refused medical treatment. The Pennsylvania State Police charged the patron with Public Drunkenness and Disorderly Conduct. The patron was issued a permanent eviction from SugarHouse Casino. The patron was escorted from the property and turned over to a third party.

This incident was first reported by SugarHouse Security to the BCC at approximately 9:59 p.m. on September 3, 2018. Security reported that they were called to investigate an intoxicated person at the Pai Gow Tiles game in Pit 2, table TL-205. The intoxicated person was ultimately arrested and evicted from SugarHouse Casino.

The SugarHouse Surveillance Department and the BCC conducted a surveillance review of the patron while at SugarHouse to determine how the patron became so intoxicated that he caused two disturbances. The surveillance review revealed the patron entered SugarHouse on September 3, 2018, at 1:40 p.m. and, after initially using the restroom, the patron went to the Pai Gow Tiles game in Pit 2, on table TL-205, at 1:56 p.m. and began play. The patron left the Pai Gow Tiles game and went to the Lucky Red Bar where he purchased his first alcoholic drink, a pint of draft beer, at 2:06 p.m. and returned to the Pai Gow Tiles game on table TL-205. Over the next seven hours the patron was served 16 more complimentary alcoholic drinks by costumed beverage servers/Sweeties while he was gaming on the Pai Gow Tiles game at table TL-205 and by bartenders at the Lucky Red Bar. On one occasion the patron was served a beer from a fellow patron on the Pai Gow Tiles game at 3:51 p.m.

The surveillance coverage illustrated that during the more than eight hours at SugarHouse Casino gambling and consuming 17 alcoholic drinks, the patron shared his

time between playing on the Pai Gow Tiles game on table TL-205, the Lucky Red Bar and the restroom, which he visited six times. BCC's surveillance review determined that the patron showed visible signs of intoxication while playing on the Pai Gow Tiles game on table TL-205. It was not until he could no longer uphold his head while playing on the Pai Gow Tiles game that a table games supervisor stopped him from receiving any more alcoholic drinks and summoned security at 9:38 p.m.

SugarHouse personnel violated Board regulations, SugarHouse's Statement of Conditions and SugarHouse's Compulsive and Problem Gambling Plan when they failed to properly monitor and serve complimentary alcoholic drinks to a patron, allowing the patron to gamble in an intoxicated state and to cause multiple disturbances resulting in his arrest. See 58 Pa.Code §423a.6.(b)(5); 58 Pa. Code § 501a.2(d)(11); and SugarHouse 's Statement of Conditions-Condition 32 and Section XVIII of SugarHouse's approved Compulsive and Problem Gambling Plan, including Exhibit D, the R.A.M.P. training program.

SugarHouse took disciplinary action against of the beverage server employees involved in this incident. Coaching notes have been placed in their personnel files and they have been required to attend RAMP and Responsible Gaming training.

HISTORY

On November 9, 2018, OEC conducted a compliance conference with SugarHouse related to an intoxicated patron incident and RAMP training. SugarHouse has never received a civil penalty for any intoxicated patron incident.

TERMS OF AGREEMENT

In consideration of the foregoing stipulated facts, and in full and final settlement of any and all claims, or causes of action which could or might be brought under the Act or the regulations promulgated thereunder, whether against SugarHouse and/or any of its owners, employees or agents, arising out of the matters identified in the above stipulated facts, the Parties do hereby further stipulate and agree that:

1. This Consent Agreement shall become final and effective only upon its approval by the Board;
2. SugarHouse shall pay a civil penalty in the amount of fifteen thousand dollars (\$15,000.00) to the Board;
3. Within five days of the Board's Order approving this Consent Agreement, SugarHouse shall pay the Board two thousand five hundred dollars (\$2,500.00) for the costs incurred by OEC, the BCC and other related staff in connection with this matter;
4. SugarHouse shall reinforce its policies and provide additional training and guidance to its employees, including additional R.A.M.P. training for its Food and Beverage Department employees, which will minimize the chance for similar incidents to occur in the future;
5. If approved, the Board may make information public with respect to the terms and conditions of this Consent Agreement;
6. This Consent Agreement may be set aside by the Board if any term herein is violated by SugarHouse;

7. SugarHouse, through their authorized representative whose signature appears below, has read and fully understands the terms of this Consent Agreement; and

8. This Consent Agreement shall not preclude the Board or OEC from reviewing and considering any facts in any future proceeding relating to any applications for licensure or qualifications of the licensee. SugarHouse expressly acknowledges and agrees that the Board reserves the right to take any actions that the Board, in its sole discretion, believes is necessary to protect the integrity of gaming in Pennsylvania, including the right to suspend or revoke any license, approval or permit without limitation if any further violations occur or are subsequently discovered, all in accordance with the Act and the regulations promulgated thereunder.

The undersigned consent to the form and entry of the above.

OFFICE OF ENFORCEMENT COUNSEL

By: JAMES J. ARMSTRONG
Senior Enforcement Counsel

DATED

4/12/19

**SUGARHOUSE CASINO
SUGARHOUSE HSP GAMING, L.P.**

By: JOHN M. DONNELLY, ESQ.
Attorney for Sugarhouse Casino
Sugarhouse HSP Gaming, L.P.

DATED

Apr 11, 2019